

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket Nos. D.T.E. 02-24/25
Responses to the Department's Sixth Set of Information Requests

Request No. DTE 6-23 (Gas):

Refer to the pre-filed testimony of J.L. Harrison at 42. Please explain the meaning of lines 1 through 4.

Response:

Table 6, page 5 of the marginal cost study establishes the uncollectible percentage. The calculation is straight forward, dividing the uncollectible accounts expense previously allocated to classes in the accounting cost of service study and then dividing by the revenue requirements for that class at the Company's claimed rate of return. The uncollectible percentage computed for each class is assumed to be equally applicable to supply revenues and delivery service revenues. This percentage is then applied on Table 11 of the marginal cost study, Schedule JLH-6 (Gas) the text of the testimony misrepresents the calculation and should be corrected to read: *"On this table, the uncollectible accounts expense is developed for each class, based on each class's allocated uncollectible accounts expense as a percentage of its total annual revenue requirements at the Company's claimed rate of return."*

Person Responsible: James L. Harrison